

RECEIVED

MAR 3 1992

HUB LAW OFFICES

1 Andrew H. Wilson  
2 WILSON, RYAN & CAMPILONGO  
3 235 Montgomery Street  
4 Suite 450  
5 San Francisco, California 94104  
6 (415) 391-3900

7 Laurie J. Bartilson  
8 BOWLES & MOXON  
9 6255 Sunset Boulevard  
10 Suite 2000  
11 Hollywood, California 90028  
12 (213) 661-4030

13 Attorneys for Plaintiff  
14 CHURCH OF SCIENTOLOGY INTERNATIONAL

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 FOR THE COUNTY OF MARIN

|                                |   |                    |
|--------------------------------|---|--------------------|
| 17 CHURCH OF SCIENTOLOGY       | ) | Case No. 152229    |
| 18 INTERNATIONAL, a California | ) |                    |
| 19 not-for-profit religious    | ) |                    |
| 20 corporation;                | ) | DECLARATION OF     |
| 21                             | ) | LAWRENCE E. HELLER |
| 22 Plaintiff,                  | ) |                    |
| 23                             | ) |                    |
| 24 vs.                         | ) |                    |
| 25                             | ) |                    |
| 26 GERALD ARMSTRONG; DOES 1    | ) |                    |
| 27 through 25, inclusive,      | ) |                    |
| 28                             | ) |                    |
| Defendants.                    | ) |                    |

1 I, LAWRENCE E. HELLER, hereby declare:

2 1. I am an attorney at law duly licensed to practice  
3 before all of the courts of the State of California and am  
4 a partner in the law firm of Turner, Gerstenfeld, Wilk &  
5 Tigerman. I have personal knowledge of the matters set forth  
6 below, and if called upon to do so, could and would competently  
7 testify thereto.

8 2. In 1986 I assisted various Churches of Scientology to  
9 achieve the settlement of a series of lawsuits with attorney

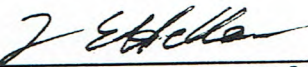
1 Michael J. Flynn and a several other attorneys around the  
2 country, who represented a number of plaintiffs and witnesses  
3 against those Churches of Scientology. Gerald Armstrong was one  
4 of these plaintiffs.

5 3. To finalize this settlement with Armstrong, I met with  
6 Mr. Armstrong and his attorney, Michael Flynn, in Los Angeles  
7 on December 6, 1986. I was present when Mr. Armstrong, in the  
8 presence of his attorney signed the Settlement Agreement with  
9 the Church of Scientology International. This meeting and  
10 signing was video taped.

11 4. Attached as Exhibit A to this Declaration is a copy of  
12 the video tape made at that meeting. I have reviewed this tape  
13 and state that it accurately depicts all of the events of that  
14 meeting.

15 5. Attached as Exhibit B is a copy of the transcript of that  
16 video tape. I have reviewed this transcript against the video,  
17 itself, and state that it is an accurate transcription of the  
18 video.

19 I declare under penalty of perjury that the foregoing is  
20 true and correct. Executed this 2nd day of March, 1992, at  
21 Los Angeles, California.

22   
23 \_\_\_\_\_  
24 Lawrence E. Heller  
25  
26  
27  
28



EPITAXIAL VIDEOCASSETTE

max

VIDEO content:  
SETTLEMENT

CSI  
V.

GERALD  
ARMSTRONG

(FILE)

EXHIBIT  
B

GENERAL USE

FOR EVERYDAY, GENERAL RECORDING  
PURPOSES

EX-160

VHS

T-160 EX



**TRANSCRIPT OF GERALD ARMSTRONG VIDEO RECORDING OF  
SETTLEMENT AGREEMENT SIGNING**

Appearances: December 6, 1986

LH: Larry Heller

GA: Gerald Armstrong

MF: Michael Flynn

JR: Jo Ann Richardson (Notary)

MS: Michael Sutter (Witness)

BEGINNING OF TAPE

LH This is fine, that covers everything and um, we're alright.

MF How many you got there?

LH Well I got the two affidavits for, then I got these here which, um, we don't have to sign these on video tape - we can do it if you like...

MF It makes no difference to me.

LH It's all the same to me too...

LH OK. It's now 9:04, ah, pm on December 6 1986 and to my left is Gerald Armstrong and next to him Michael J. Flynn. Um, Mr. Armstrong, I understand Mr. Flynn is your attorney here representing you today, is that correct?

GA Right.

LH OK. Ah, Mr. Armstrong I'm going to ask you to sign three documents, ah, a mutual release of all claims and settlement agreement, and two separate affidavits. Prior to doing so however, I would like to ask you some questions with regard to those documents, um-hum, excuse me, which I would like you to answer freely and honestly if you would. Ah, first of all have you had a chance to, ah, completely and comprehensively review and read these documents?

GA Yeah.

LH OK. Have you had a chance to discuss these documents with your attorney, Mr. Flynn?

GA Yes.

LH Has Mr. Flynn explained these documents as well the legal and factual ramifications to you, legal and practical ramifications to you to your satisfaction?

GA Uh, I think so, yes.

LH OK. Well do you have any question of that whatsoever?

GA No, I have no current questions about it.

LH OK, very good. You are going to sign these of your own free will?

GA Yes.

LH OK. You are not suffering from any duress or coercion which is compelling you to sign these documents?

GA No.

LH Alright, you are not presently under the influence of alcohol or any medication, prescription or otherwise, which would impede your ability to comprehend the um, legal and factual intent of these documents?

GA No.

LH Um, you may have noticed in reviewing the settlement agreement that, ah, you are part of a what we have generically described as a universal settlement, ah, what I mean by that is and you probably know that independently as well, as you're smiling. What I mean by that...

GA ... no, just that, that's the same as a global settlement, right?

LH It's the same thing. Exactly.

GA Got it.

LH I said generically described so far, universal, global, all encompassing - whatever you like, but the intent of it is that, um, you are one of many claimants uh, who uh, contend that they have claims against the Church of Scientology as well as related and unrelated entities and individuals. Some of those claimants have litigation such as you do pending against the Church of Scientology, some of them don't.

Uh, as you also may or may not know, uh, one lump sum payment is being made to Mr. Flynn. Um, Mr. Flynn is then

going to be distributing from that lump sum certain sums to some or all of these claimants...

MF After I go to Rio.

LH After he goes to Rio, exactly. Neither I nor my clients know what the nature or amount that that distribution is um, and we don't want to know. Uh, what's important to us is that you realize that it's a universal/global settlement; that you realize that you are getting paid a certain amount out of that settlement, if you in fact are, and I'm making the assumption you are, but that, uh, and also that you tell me while we're now on video tape that you are happy and satisfied with the amount that Mr. Flynn has promised to pay you.

(phone rings and is answered)

GA Yes.

LH OK, now, other than any representations which Mr. Flynn has made to you in order to uh, get you to sign this uh, have any other representations been made by either myself or my clients or anything else which has compelled you to sign these documents?

Now, what I'm saying to you is there are obviously representations in the documents...

GA Correct.

LH Mr. Flynn has spoken with you - he has said you will get this and that for the, uh, whether money or other consideration for the signing of these documents...

GA Right.

LH OK, now I want to make sure that were there any other representations made to you of anything you would get in consideration for the signing of these documents.

GA Not in terms of what I would get: no.

LH OK. Along those same lines - As I said this is a universal settlement - ah, accordingly, ah, it is possible that some of the other parties may not settle for some reason, and I want you to be aware of the fact that if in fact one of those other, one or more of those other parties do not settle, this settlement falls through. You're aware of that?

GA OK.

LH OK, and you're also aware of the fact however that we are putting these in what is in effect an escrow account - these documents and this video tape - an escrow, um, sort of holding place, uh, so that all of these documents in the video tape will be destroyed if the, uh, settlement does not go through. And you're aware of all that? ...OK?

GA Um-hum.

LH OK, uh, with that then why don't we take a picture of the mutual release of all claims and settlement agreement and then I'll ask you to sign it.

...zoom to document...

LH OK, now what I'm going to ask you to do is please is to initial each of the bottom of each of these pages, I'll turn the page for you and then you'll sign it, I think in two different places if you would.

...GA initials the document...

MF Oh you've got a signature there, Lar.

LH Oh, I'm sorry...that's right...right up here.

...GA continues to initial and sign the document...

LH OK and if you'd date and sign there please.

...GA signs the document...

MF You didn't want to eat dinner with any of those people anyway.

LH No, what did I want to go out to dinner for. Is that crazy? OK, let's see, if you give it to Mr. Flynn, he'll sign it ... and you'll take two separate pictures of these Ted.

...zoom into document...

MF Little art work?

GA I think it...I think we have to, seeing as that's how the checks are.

LH OK and I've just taken a picture of this affidavit and asked that you initial at the bottom of the pages and then sign it once you get your pen back.

...GA signs document...

MF (Laughs)

LH OK, and here is the second affidavit...

...zoom into document...

LH OK.

...GA signs document...

MF How do you do that so quickly? That's awesome.

LH Um... OK, do you have any sort of identification on you so we can give it to the notary?

GA Sure.

LH So she can notarize your documents.

GA We haven't met before, have we?

JR No.

LH Why don't I have you sign...

LH Uh, I don't think we need to take a picture of this, this is the stipulated sealing order but you know what, all of these are for Bruce Bunch's signature I think...

MF Oh, are they...

LH Because...

MF Should we get Bruce down here at some point?

LH Well...

MF Bruce is in trial I think...

GA Yeah, he is.

MF Yeah, whatever, we can get Bruce back down here. He's in the middle of a trial...

LH I think I'd want either Bruce or Julia's signature on this.

MF Julia would probably be easier...

LH Yeah...

MF Cause Bruce is in the middle of a trial.

LH Well we can arrange for that, that shouldn't be a problem...

MF Well she's coming Monday to do hers...right?

LH Exactly, um, ok, I noticed by the way, in this stipulation for return of sealed materials, it also has Mr. Armstrong's signature and your signature on it so...Let's take a picture of that.

...zoom into document...

LH And have you had a chance to read this yet Mr. Armstrong?

GA Yeah.

LH OK...alright... would you date and sign that please.

GA I keep thinking it's '85.

LH It's a good way...certainly...not to confuse your signature...

GA No.

LH ...Because Mr. Armstrong is, um, putting a face on his signature.

GA Makes it valuable.

LH Exactly.

MF It's awesome...as opposed to my ugly scrawl.

LH You probably have the same artistic talent that I have, which is...

MF Mine is zero.

LH Zero to none. OK, and I think that's it. Thank you Ted. Oh OK, or do you have any questions?

GA No, no

MF Those are orders...

LH These are orders which will be signed by the attorneys which will relate to sealing the files so that no one can get into them as well dismissing your actions. Those will be signed when the entire settlement is finished, um, and then given to the court for Judge Breckenridge's signature.

GA OK...

LH OK.

MF We should put how many docs we got...

GA Do you need duplicate sets signed? Or is that...

MF No, no there's only one...

LH No.

...counting documents...

MF 1-2-3-4 here.

LH OK, I've got two here which is six and then there's two affidavits which is eight.

LH OK, and if you got a drivers license or...

GA Right here.

JR He gave it to me...

LH Already got it?

GA Yeah.

JR You need to put your signature there and your address there please.

LH So you had a good time today?

MF Oh yeah, we had an excellent time, it was very pleasant and we had a nice plane ride up - nice plane ride back...

LH Well Michael's good company.

MF Nice visit with ah...yeah, Mike's very good company... nice, pleasant...

LH I've flown with him once or twice myself.

MF Yeah.

LH The trouble with me, he ususally sleeps. I'm not sure why that is.

MF No, we didn't sleep, (laughs).

MF Witnesses, we need witnesses with some of these docs.

LH Uh, no I think there was a one...that's right.

MF ...several are needed...

LH ...well, just, no only...

MF ...just the release.

LH Only the ah, mutual release...did I see a witness signature there? And there were... you know let's get Ted back - As a matter of fact Ted, why don't you roll this again because we're going to have witnesses sign. Thanks for reminding me.

MS Should Ted be a witness?

LH Oh, you two were witnesses so far... OK, we're back on the camera - 9:15 - and I neglected to get witnesses signatures on the uh, mutual release of all claims and settlement agreement so why don't I do that right now.

...Witnesses sign...

MS Just the one?

LH Okee-dokee, yup, and those are affidavits. Will you stamp them? Thanks Ted. Allright, so...we want to put up all this down in the vault...

MF This all goes together.

LH ...and you've marked that stuff for Michael Hertzberg.

MF Yeah. All marked.

END OF TAPE